UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

MIRASOLES PRODUCE USA, LLC,)
) Civil Action No. 3:22-cv-01240-E
71.1.100)
Plaintiff,)
V)
V.)
SANCHEZ FARMS and)
ELIZABETH RAYAS,)
)
)
Defendants.)

JUDGMENT AGAINST DEFENDANTS SANCHEZ FARMS AND ELIZABETH RAYAS

This cause came before the Court on the Motion of Plaintiff Mirasoles Produce USA, LLC ("Plaintiff" or "Mirasoles") for Entry of Judgment ("Motion") against Defendants Sanchez Farms and Elizabeth Rayas (collectively "Defendants"). Also before the Court are the Findings, Conclusions, and Recommendations of the U.S. Magistrate Judge together with the Court's full adoption and acceptance of same.

The Court finds that sufficient evidence of damages has been presented, that damages are readily capable of mathematical computation and that a hearing is therefore not necessary.

Principal damages are awarded as set forth in Plaintiff's Complaint and annexed statement of account (Doc. Nos. 1 and 1-1). Further, the Court finds that Plaintiff Mirasoles has made a successful claim for pre-judgment interest based on express contractual language on the face of each invoice issued to the Defendants as a bargained term and condition of sale, and therefore

interest at the rate of 18% per annum from the due date of each unpaid invoice, calculated at \$12,964.47 through January 31, 2024 shall be added to this Judgment.

Further, the Court finds that because Plaintiff asserted causes of action in the Complaint for dissipation / misappropriation of trust assets and breach of fiduciary duty under the Perishable Agricultural Commodities Act ("PACA"), 7 U.S.C. §499 *et seq.*, wherein Plaintiff is a qualified and perfected PACA trust beneficiary, this Judgment is non-dischargeable in any of Defendants' subsequent bankruptcy proceedings pursuant to 11 U.S.C. §523(a).

It is therefore **ORDERED** and **ADJUDGED**:

That non-dischargeable Judgment is hereby rendered in favor of Plaintiff Mirasoles and against Defendants Sanchez Farms and Elizabeth Rayas, jointly and severally, in the principal amount of \$33,568.75 plus pre-judgment interest of \$12,964.47 up to and including January 31, 2024 and continuing thereafter at the rate of \$16.55 per day until the entry date of this Judgment plus continuing post-judgment interest pursuant to 28 U.S.C. §1961, which currently stands at 4.76% per year, until paid in full;

That Plaintiff is hereby granted leave to file a Motion for Attorney Fees within twenty-one (21) days of entry of this Judgment;

That Defendants violated the PACA and the Code of Federal Regulations promulgated thereunder by failing to preserve the statutory trust for Mirasole's benefit under PACA;

That Defendants, their agents, servants and employees are ordered to turn over to Plaintiff's counsel all proceeds of produce sales of Defendants, all accounts receivable generated by produce sales of Defendants, and all assets into which these proceeds have been commingled to the extent

that Mirasoles is paid in full as required by 7 U.S.C. §499(e)(c)2 and in enforcement of the remedial PACA trust;

That payment and satisfaction of this Judgment can be directed to Mirasole's Counsel at Martyn and Associates Co., LPA, 820 W. Superior Avenue, 10th Floor, Cleveland, OH 44113, (216) 861-4700; and

That there is no just reason for delay in entering this final Judgment for which sums let execution issue.

IT IS SO ORDERED: February 5, 2024.

Ada E. Brown

UNITED STATES DISTRICT JUDGE